

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  OFFICE OF CONSUMER ADVOCATE,  Complainant,  vs.  PROTEL ADVANTAGE, INC., d/b/a LONG DISTANCE SAVINGS,  Respondent.	DOCKET NO. FCU-03-64
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**ORDER DOCKETING FOR FORMAL PROCEEDING  
AND REQUESTING RESPONSE**

(Issued January 27, 2004)

On December 31, 2003, the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed with the Utilities Board (Board) a petition for a proceeding to impose civil penalties pursuant to Iowa Code § 476.103 (2003), asking that the Board review the proposed resolution in C-03-260, involving Protel Advantage, Inc., d/b/a Long Distance Savings (Long Distance Savings), and consider the possibility of assessing a civil penalty pursuant to Iowa Code § 476.103(4)"a." Based upon the record assembled in the informal complaint proceedings (which is a part of the record in this proceeding pursuant to 199 IAC 6.7), it appears the events to date can be summarized as follows:

On October 7, 2003, Ms. Jamie Meyer filed a complaint with the Board on behalf of River Valley Construction (River Valley) alleging that River Valley's subscribed long distance service had been changed to Long Distance Savings without proper authorization. Board staff identified the matter as C-03-260 and, pursuant to Board rules, on December 2, 2003, forwarded the complaint to Long Distance Savings for response.

Long Distance Savings responded to the complaint on December 17, 2003, stating that its records showed that one of its sales agents spoke with Ms. Meyer on October 7, 2003, regarding changing River Valley's telephone service to Long Distance Savings and that Ms. Meyer agreed to switch River Valley's long distance service. Long Distance Savings also stated that a third-party verification was obtained to authenticate the sale. Long Distance Savings provided a copy of the third-party verification and stated that it had issued credits totaling \$143.64 to River Valley.

On December 17, 2003, Board staff forwarded a copy of the third-party verification to Ms. Meyer asking that she review the tape and respond in writing by December 29, 2003. Board staff received Ms. Meyer's response on December 19, 2003, wherein she verified that her voice was on the verification recording, but denied that she agreed to change River Valley's long distance service. In addition, Ms. Meyer's stated that she believed the sales agent for Long Distance Savings

misrepresented himself to Ms. Myers by stating that he worked for Qwest Corporation (Qwest).

On December 22, 2003, Board staff issued a proposed resolution describing these events and proposing that the credit offered by Long Distance Savings represented a fair resolution of the situation. Consumer Advocate has challenged the staff's proposed resolution.

In its December 31, 2003, petition, Consumer Advocate asserts that the proposed resolution is not supported by the facts of the underlying complaint and that sufficient reasons exist to merit an investigation into the matter. In addition, Consumer Advocate asserts that other slamming complaints received by Board staff have named Long Distance Savings as the alleged violating company. Consumer Advocate requests that the Board docket this complaint for a formal proceeding and impose civil penalties on Long Distance Savings. Long Distance Savings has not responded to Consumer Advocate's petition.

The Board has reviewed the record to date as well as the additional slamming complaints made against Long Distance Savings and finds that there is sufficient information to warrant further investigation in this matter. The Board will delay establishing a procedural schedule until April 2, 2004, and allow Long Distance Savings the opportunity to respond to the allegations raised in Consumer Advocate's petition.

**IT IS THEREFORE ORDERED:**

1. The "Petition for Proceeding to Impose Civil Penalty" filed by the Consumer Advocate Division of the Department of Justice on December 31, 2003, identified as Docket No. FCU-03-64, is granted and docketed for formal proceeding.

2. Protel Advantage, Inc., d/b/a Long Distance Savings, is directed to file a response to Consumer Advocate's petition on or before April 2, 2004.

**UTILITIES BOARD**

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 27<sup>th</sup> day of January, 2004.